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USDOC FOR 532/OEA/M. NICKSON-D/JAY HATFIELD  
USDOC FOR 3131/USFCS/OIO/ANESA/KREISSL  
USDOC FOR 4530/MAC/ANESA/OSA  
ICE HQ FOR STRATEGIC INVESTIGATIONS  
STATE FOR EB/ESP

E.O. 12958: N/A

TAGS: [BEXP](#) [ETRD](#) [ETTC](#) [IN](#)

SUBJECT: EXTRANCHECK: POST-SHIPMENT VERIFICATION: MAHINDRA & MAHINDRA LIMITED (D355831).

REF: USDOC 03124

11. Unauthorized disclosure of the information provided below is prohibited by Section 12(c) of the Export Administration Act.

12. On May 20, 2008, Export Control Officer (ECO) Paul Cushman and BIS FSN Shailendra Srivastava conducted a Post-Shipment Verification (PSV) at Mahindra & Mahindra Limited in Mumbai.

13. BIS requested a PSV at Mahindra & Mahindra Limited (M&M), Automotive Sector, Mumbai. M&M was listed as the ultimate consignee for one Quest 51 Super Precision Lathe and accessories manufactured by Hardinge Inc. of Elmira, New York. Export License: D355831. ECCN: 2B001.

14. ECO and FSN Srivastava met with Mr. Prakash Shimpi, Vice President, Mr. Ramanand Prabhu, General Manager - Asset Management, Mr. Harshad Parulekar, Manager - Capital Purchase and Mr. Girish Nair, Manager.

15. M&M representatives were not aware of BIS regulations and this was the first visit by BIS officials to their facility. Prabhu provided copies of documents pertaining to this transaction including the M&M Purchase Order, Hardinge Commercial Invoice, Bill of Lading, and a receipt for duties paid to the Indian Customs Authority. Prabhu stated that the exporter did not advise them of any license conditions. ECO then provided him with a copy of the license conditions. He reviewed the document and asserted that M&M had complied with these conditions and would continue to do so.

16. Prabhu confirmed the stated end-use. He explained that the lathe is used to machine various engine and drive train components.

17. After the meeting, the BIS team was given a tour of the M&M factory. ECO physically verified the Quest 51 Super Precision Lathe serial number as QC-798. The plant operates seven days a week, around the clock and a roving security force is always on duty.

18. Established in 1945, Mahindra & Mahindra Limited is India's largest manufacturer of general purpose utility vehicles and manufactures tractors and light commercial vehicles as well. M&M, in a joint venture with Navistar USA, is currently building what will be Asia's largest automotive assembly plant. The plant, located in Pune, will produce 700,000 vehicles per year.

19. Recommendation: At the time of this visit, Mahindra & Mahindra Limited appeared to be a suitable recipient of this controlled technology. The item on check was physically verified and was being used in a manner consistent with the license conditions and the Export Administration Regulations.  
MULFORD